Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Director of Central Intelligence

Top Secret

25X1

National Intelligence Daily

Wednesday
9 September 1981

25X1

Top Secret

CO NID 81-210JX

9 September 1981

Copy 229

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

25X1

Page Denied

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

[redacted] 25X1

Contents

Poland: *Solidarity Congress Continues* 1

[redacted] 25X1

USSR-International: *Planning for Communist Conference* . . . 4

Norway: *Election Outlook* 5

[redacted] 25X1

International: *Debt Problems of Developing Countries* . . . 7

USSR: *Possible New Strategic Aircraft* 8

East Germany - Mexico: *Honecker Visit* 8

25X1

[redacted]

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

25X1

POLAND: Solidarity Congress Continues

Solidarity's congress adopted a more militant posture yesterday amidst continuing procedural discussions. 25X1

During extensive talks with delegates, US Embassy officers have noted a slowly growing sense of anger. This has been caused partly by the delegates' sharing of experiences and frustrations in trying to work with government officials. 25X1

The anger has manifested itself in the passage of several strongly worded resolutions. One demanded that the parliament delay consideration of government legislation on worker self-management and instead hold a nationwide referendum on the matter. 25X1

The government bill does not respond to Solidarity's demand that workers play a key role in the naming of factory managers. The union threatened to ignore the law if it is passed without change and to organize its own referendum. 25X1

In another resolution, the delegates baited the union's most severe critics in the USSR, East Germany, and Czechoslovakia. The delegates expressed support for workers in Eastern Europe who are struggling for free trade unions and said Solidarity hopes to exchange experiences with them. 25X1

Union leader Walesa has also received sharp and cynical criticism of his "autocratic" style of leadership. During a heated debate, a critic wondered aloud if Walesa "was going to stamp his feet and resign if he doesn't get his way." Walesa, nevertheless, beat back an attempt to limit the powers of the union's central leadership. 25X1

The congress has already been in session beyond its closing date and may continue several days longer. The delegates are still trying to set out the tasks for the commissions that will propose union positions on numerous issues before the second part of the congress at the end of this month. 25X1

25X1

--continued

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Soviet Reaction

Soviet commentary on the Solidarity congress has bitterly condemned the union's drive for political power and its failure to choose a course leading to constructive compromise and hard work. TASS sought to discredit the congress by claiming that fewer than a quarter of the delegates are, in fact, workers; nearly 90 percent of the participants were alleged to be "salaried employees" of Solidarity or representatives of dissident organizations. Thus far, Soviet media have avoided touchy questions, particularly the troublesome issue of direct self-management for Polish industrial enterprises. [redacted] 25X1

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

25X1

Page Denied

Next 1 Page(s) In Document Denied

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

25X1

USSR-INTERNATIONAL: Planning for Communist Conference

The Soviets are sounding out foreign Communists on convening a world conference of Communist parties. [redacted] 25X1

[redacted] 25X1

[redacted] a meeting of Communist parties on the theme of "the struggle for peace" will be held at Prague in November. One purpose of this meeting will be to determine which parties would be willing to attend a world Communist parties conference. [redacted] 25X1

[redacted]

Moscow, no doubt still smarting at the boycott of the Paris conference of Communist parties in April 1980 by a number of important West and East European parties, is testing the waters carefully. During the Soviet Party Congress in February, Leonid Zamyatin, chief of the party's International Information Department, stated that Moscow "in principle" favored a world conference of Communist parties if a majority of parties were similarly inclined. [redacted] 25X1 25X1

Czechoslovak party chief Husak in early April made his implicit call for a conference probably at Moscow's behest. In *Pravda* in late July, a senior official responsible for liaison with nonruling parties--without explicitly calling for such a meeting--forcefully reasserted the value of international Communist conferences. [redacted] 25X1

Although the Soviets would like to stage a conference as part of their diplomatic offensive against US policies and NATO military modernization, key parties continue to resist the idea. For example, a meeting of representatives of Communist party newspapers at Moscow in early July, which may in part have been intended to gauge reaction to an international parties conference, was avoided by the French, Italian, Spanish, Yugoslav, British, and Japanese parties. [redacted] 25X1

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

NORWAY: Election Outlook

The parliamentary election next Monday is likely to be dominated by a surge of support for the Conservative Party that will sweep the Labor Party government out of office. [redacted] 25X1

Polls show that the Labor Party could lose more than one-fifth of its supporters. Although Prime Minister Brundtland has proven herself to be an energetic and popular campaigner, many voters remain unconvinced that she can control the Labor Party's squabbling factions. She has been hurt, for example, by her inability to prevent the party's left wing from pushing for a unilateral Norwegian initiative on a Nordic nuclear weapons-free zone. [redacted] 25X1

The Conservative Party, meanwhile, has gradually gained support among younger voters, well-to-do workers disenchanted with high tax rates, and the rural residents of southern and western Norway, traditional strongholds of the Center and Christian People's parties. It has benefited politically from Norway's double-digit inflation, the unpopularity of taxes that automatically increase with inflation, and a growing perception of excessive government intrusion in business and in daily life. [redacted] 25X1

It is widely expected that the election will result in a nonsocialist coalition government headed by Conservative Party parliamentary leader Kaare Willoch and including the Christian People's and the Center parties. If these potential coalition parties are unable to settle their differences, the Conservatives are prepared to form a minority government that would seek support from other parties on a case-by-case basis. [redacted] 25X1

A Conservative-led government would be more accommodating in implementing the US-Norwegian agreement to pre-position equipment for the contingency posting of a US Marine brigade in central Norway, but securing funding for the project would be as difficult a problem as it has been for the Labor government. Elements of the Christian People's and the Center parties are less supportive than the mainstream of either the Labor or Conservative Parties on issues such as TNF modernization and the 3-percent NATO guideline for defense spending increases. Additional problems could arise if serious Labor Party losses increase the influence of the party's left wing, which might join the Socialist Left Party in attacking US policies and NATO. 25X1

[redacted]

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

25X1

Page Denied

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

INTERNATIONAL: Debt Problems of Developing Countries

Record high debt servicing costs are contributing to slower economic expansion among a growing number of developing countries, but debt difficulties among these countries--in contrast to the problems of Poland and Turkey--thus far have not caused serious problems for the international financial system. [redacted] 25X1

Following the oil crisis in 1973 and 1974, the developing countries outside OPEC incurred substantially increased debt to pay for their imports. Now many find they cannot finance both oil and the other essential imports they need to achieve politically acceptable rates of growth. With interest rates rising, half their debt service costs this year are for payments on interest, compared with a third in 1978. [redacted] 25X1

The number of countries that rescheduled debt payments rose to 11 last year from about four in a typical year in the 1970s. In 1981, at least 14--four of which are new debt-relief candidates--will do so. Most are small, export-oriented countries dependent on sales of a few primary commodities. [redacted] 25X1

The relatively small sums involved so far have helped limit the implications for the international financial system. Reschedulings of debt payments last year affected less than 5 percent of debt service owed to OECD creditors by developing countries not belonging to OPEC. This year, reschedulings are unlikely to cover more than 8 percent. [redacted] 25X1

The attention of bankers continues to be focused on the 11 countries where the debt is concentrated--Argentina, Brazil, Chile, Egypt, India, Mexico, Morocco, Pakistan, Peru, the Philippines, and South Korea. Last year these countries owed 70 percent of the $300 billion in developing country external debt and accounted for over 75 percent of total debt service payments. [redacted] 25X1

Within the 11, bankers have traditionally been most concerned about the size of Brazil's debt, but now are anxious about the rates of increase of those of Mexico and Argentina. Brazil's medium- and long-term debt--probably will reach $60 billion this year; Mexico's debt jumped to $49 billion, and Argentina's debt grew to $20 billion, but Mexico's energy reserves and Argentina's agricultural exports provide these two countries considerable advantage. [redacted] 25X1

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

25X1
Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Page Denied

25X1

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

USSR: Possible New Strategic Aircraft

Construction at two locations in the USSR indicates that the Soviets are building a large, new aircraft that may be a cruise missile carrier. A large aircraft shelter is being built in the Tupolev area of the flight test center near Moscow, and a plant that traditionally produces Tupolev-designed aircraft is being expanded, probably for a new Tupolev plane. [redacted] 25X1

There are a number of reports that the Tupolev design bureau is working on a wide-body cruise missile carrier and on a supersonic bomber similar to the US B-1. The size of the new shelter is more appropriate for a large subsonic aircraft than for a supersonic craft. The pace of construction of the shelter indicates that the new plane could begin flight tests in about a year. The aircraft could be operational about five years later. [redacted] 25X1

EAST GERMANY - MEXICO: Honecker Visit

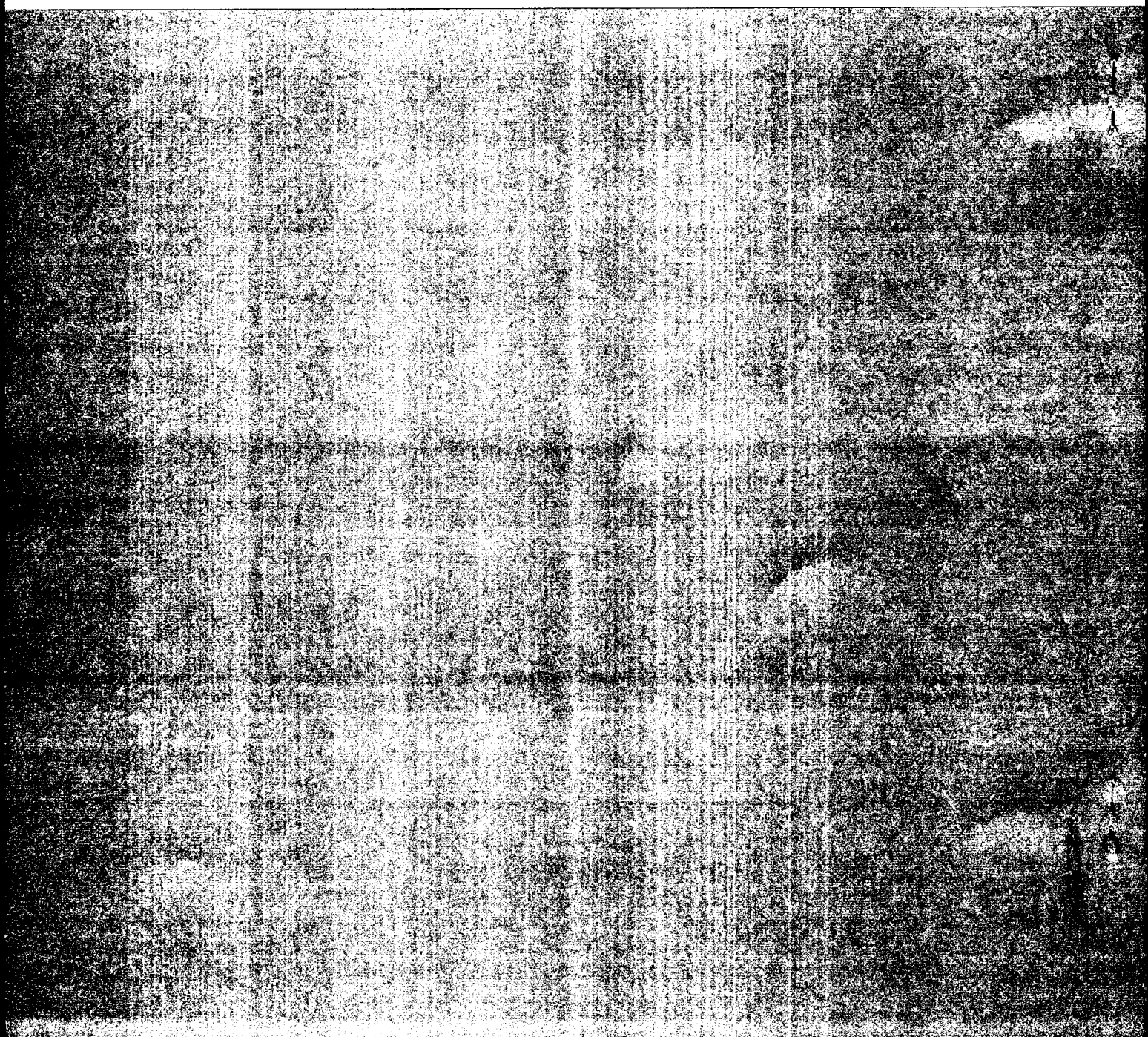
East German leader Honecker arrives in Mexico today to strengthen bilateral relations and to enhance East Berlin's prestige among leftists in Central America. Any economic cooperation or commercial agreements that may be signed will be secondary to East Germany's political goal of appearing to be on cordial terms with an oil-exporting, "progressive" country, whose influence is expanding in the region. [redacted] 25X1

For more than a year Soviet Foreign Minister Gromyko reportedly has wanted East Germany to take the lead for the East in developing relations with Mexico to allay that country's suspicions of Soviet interference in Latin America. East Germany apparently has no illusions about its ability to influence Mexico, but it believes that anti-US sentiment there can be exploited to develop relations between Mexico and Eastern countries. Mexico welcomes gradually expanding ties with East Germany as further evidence of its independence from the US. Honecker also is likely to stop off in Havana during his travel. [redacted] 25X1

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0

25X1



Sanitized Copy Approved for Release 2010/11/05 : CIA-RDP83T00296R000400020033-0